Vote No. 415

September 13, 1995, 10:26 a.m. Page S-13486 Temp. Record

WELFARE REFORM BILL/Formula for Grants

Family Self-Sufficiency Act of 1995 . . . H.R. 4. Graham/Bumpers amendment No. 2565 to the Dole modified SUBJECT:

perfecting amendment No. 2280 to the committee substitute amendment. **ACTION: AMENDMENT REJECTED, 34-66**

SYNOPSIS: As reported with a committee substitute amendment, H.R. 4, the Family Self-Sufficiency Act of 1995, will

overhaul six of the Nation's ten largest welfare programs. The Dole modified perfecting amendment would strike the provisions of the committee substitute amendment and insert in lieu

thereof substitute provisions, entitled "The Work Opportunity Act of 1995." The Graham/Bumpers amendment would eliminate the Dole amendment's formula for providing supplemental grants to family assistance block grants and would alter the family assistance block grant formula to redistribute approximately \$8.7 billion in block grant funds over 3 years (fiscal years (FYs) 1996-1998). Instead of holding a State's welfare funds harmless at their FY 1994 Federal funding level, the Graham/Bumpers amendment would distribute funds based on the number of children receiving benefits within a State, except that 15 less populous States and the District of Columbia would receive a special allowance above the amount provided per welfare child to other States. Funds would be distributed without any regard for current funding levels or the variations in the cost-of-living between the States. The number of children determined to be in a State would be based on the average of the 3 previous years. (Family assistance block grants would be created by the Dole amendment; they would replace all current Aid to Families with Dependent Children (AFDC) programs (AFDC Cash Assistance; AFDC Administration; Emergency Assistance; JOBS

Program; IV-A Child Care; Transitional Child Care; and At-Risk Child Care); the Dole amendment would provide States block grant

Those favoring the amendment contended:

Heflin

Inouye

Kerrey

Leahy

Nunn

Pell

Pryor

Reid

Robb Rockefeller

Simon

Hollings

Johnston

Moseley-Braun

funding for the next 5 years at these programs' FY 1994 funding level.)

Dole

Frist

Gorton

Gramm

Grams

Hatch

Grassley

Hatfield

Domenici

Faircloth

The Graham/Bumpers amendment is about fairness. Children in poor States deserve as much funding from the Federal Government as children in rich States. However, under the Dole amendment, children in New York, Massachusetts, Pennsylvania,

(See other side)

YEAS (34) NAYS (66) NOT VOTING (0) **Democrats Democrats** Republicans Democrats Republicans Republicans (6 or 11%) (48 or 89%) (18 or 39%) (28 or 61%) (0)(0)Coats Akaka Abraham Helms Boxer Gregg Baucus Ashcroft Hutchison Bradley Jeffords Bennett Inhofe Dodd Biden Kassebaum Bingaman Bond Feingold Lugar Mack Breaux Brown Kempthorne Feinstein McConnell Bryan Burns Kyl Glenn Bumpers Campbell Lott Harkin Byrd Chafee McCain Kennedy Conrad Cochran Murkowski Kerry Daschle Cohen Nickles Kohl Coverdell Packwood Dorgan Lautenberg Exon Pressler Craig Levin Ford D'Amato Roth Lieberman Graham DeWine

Santorum

Shelby

Smith

Snowe

Specter

Stevens

Thomas

Warner

Thompson

Thurmond

Simpson

Mikulski

Movnihan

Murray

Sarbanes

Wellstone

SYMBOLS:

3—Illness

4—Other

AY—Announced Yea AN-Announced Nav

1—Official Buisiness

2—Necessarily Absent

EXPLANATION OF ABSENCE:

PY-Paired Yea

PN-Paired Nay

Compiled and written by the staff of the Republican Policy Committee—Don Nickles, Chairman

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California, and other rich States would get a lot more than would children in poor States. For example, a child in New York would receive \$2,200, but a child in Arkansas would receive only \$400. The reason is that funding would be provided according to the amount that was provided in 1994 under the old Aid to Families with Dependent Children (AFDC) formula. That formula provided matching funds. Rich States, that could afford to be generous with their own funds, therefore received more Federal money per child. Instead of sticking with this system of giving more Federal money to those rich States that need it less, the Graham/Bumpers amendment would propose treating all States equally. It would not go so far as to say that the Federal Government should give more money to those States that are poorer and thus less able to provide for welfare recipients; instead, it would ask only for equal treatment. This proposal is eminently fair, so we urge all Senators to give it their support.

Those opposing the amendment contended:

The Graham/Bumpers amendment, if enacted, would harm many children with its arbitrary treatment of the States. Of course, it has no chance of getting enacted, because the House would never accept it. This amendment is carefully crafted to benefit a majority of States, and thus a majority of Senators, while at the same time hurting a majority of House Member's districts. In other words, it is an attempt to pit the Senate against the House to kill welfare reform. This effort will fail, because we are confident that a majority of Senators will put principle ahead of the Graham/Bumper amendment's appeal to greed.

Proponents of this amendment have been issuing press releases stating that "a poor child in one State should not be worth less than a poor child in another." Apparently they believe that some poor children are more equal than others, though, because their formula would result in wild discrepancies in the amounts that would be given, depending on the State of residence. For example, the amendment's new block grant formula would give each child on welfare in Vermont \$4,450, though the national average expenditure would be only \$1,162. Vermont children would be treated so generously because under the Graham/Bumpers amendment 15 small States and the District of Columbia would receive a small State bonus. Giving bonuses to small States would not treat all poor children equally, but it would certainly benefit Senators from States with smaller populations--i.e., States with two Senators but few Representatives.

Even without the small State bonus the formula would be unfair. The formula in the Dole bill would keep each State's funding at its present level. That level in effect, has been determined by each State, because the Federal Government provides matching funds for welfare. New York would receive 7.5 times as much per welfare recipient as would Arkansas because New York has been willing to spend 22 times more of its own money on its poor children than has Arkansas. One reason New York has spent so much is that it is very expensive to live in New York. However, the Graham/Bumpers amendment would pretend that the cost of living is the same in every State.

The Graham/Bumpers amendment demonstrably would not treat all poor children equally. However, as previously noted, it certainly would result in most States receiving more money than under the Dole amendment. Whether by accident or intent, 14 States would lose a total of \$8.7 billion (California, Connecticut, Iowa, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York, Ohio, Oregon, Pennsylvania, Washington, and Wisconsin); the rest would gain. Those 14 States represent 212 Representatives but only 28 Senators. Those 212 Representatives are not about to accept a patently unfair formula that would also rob their States blind. In looking at the Senate side, though, one may expect the 72 Senators whose States would benefit to look favorably on this amendment, even though they know it would treat other States unfairly. We do not expect a battle royale to develop between the two Houses, though, because we are confident that most Senators will reject this formula as unfair, despite the fact that most States would individually benefit.

In summary, this amendment has nothing to do with equity. Instead, by accident or design, it would pit one House against the other, and could well kill this bill. We therefore urge its rejection.